Safety At Work
Through risk analysis and the best action.

Industrial Processes
Engineers
Technical Standards and Safety Authority

Mandated by the Government of Ontario, TSSA is Ontario’s public safety regulator in four key sectors: Fuels; Elevating and Amusement Devices and Ski Lifts; Boilers and Pressure Vessels and Operating Engineers; and, Upholstered and Stuffed Articles. TSSA reports to the Ministry of Government and Consumer Services (MGCS), which retains authority over the Technical Standards and Safety Act, 2000 and is responsible for setting public safety policy and overseeing both the delivery of safety services and TSSA's organizational performance.
TSSA is one of Ontario’s public safety regulators mandated by the Government of Ontario to enforce provincial safety regulations and enhance public safety. Headquartered in Toronto, TSSA employs over 420 staff, approximately 75 percent of whom work in operations. TSSA is accountable to the Ontario government, the residents of Ontario, and the industries it regulates. It uses a cost-recovery approach to set fees, including registration, inspection, engineering, examination, permit, and licensing, allowing it to deliver on its mandated activities. TSSA’s funding model is developed in a transparent and consultative manner which includes stakeholder engagement and appropriate advance notice.

TSSA also recognizes that the role of regulators is evolving. Regulators are building capacity and adopting new approaches to achieve their goals as political and economic pressures are challenging them to achieve and maintain required outcomes while demonstrating value and reducing regulatory burden on businesses.

Fiscal Year 2018 (FY18) represents the first year of TSSA’s new Strategic Plan. The Strategic Plan sets the priorities and projects that will be a focus for TSSA over the coming five years. The Business Plan for FY18 outlines the initiatives planned for the first year of the Strategic Plan.

To be successful, TSSA must focus on priorities that will have the largest impact. Contained in the Strategic Plan are five Strategic Themes:

### STRATEGIC GOALS

- **Modernized Regulatory Framework**
  TSSA will continue to work collaboratively with the Government of Ontario and regulated customers to ensure a modern regulatory environment that benefits all stakeholders.

- **Service Excellence**
  Working with staff and key stakeholders, TSSA will focus on ensuring customer interactions are consistently effective, efficient, and supportive.

- **Safety Awareness, Active Compliance**
  TSSA will continue to promote actions that improve both the public and regulated customers’ awareness of risks and empower them to adopt safe behaviours.

### FOUNDATIONAL ENABLERS

- **Engaged People & Effective Teams**
  TSSA will empower teams and promote an open and trusting environment for staff to adopt best practices and drive meaningful change at all levels of the organization.

- **Solid Operational Foundation**
  TSSA will continue to improve its operating efficiency and transparency for the benefit of employees, customers and other stakeholders.
EXECUTIVE SUMMARY

For each of these Strategic Themes, the Business Plan outlines specific initiatives and targets to position TSSA for success during the first year of the new Strategic Plan. The Business Plan also sets annual goals and performance targets in the form of a balanced scorecard, and TSSA reports on performance against those targets in its annual report.

The FY18 Business Plan sets out a number of transformational shifts for TSSA. Over the coming 12 months, TSSA will define and begin the development of a refreshed organizational culture that is more aligned with the principles and approaches of modern regulators. This will be strongly supported by the Senior Management Team, which will also be augmented during the year to fill current vacancies. Both of these initiatives will identify opportunities to further develop leadership capabilities across the organization.

Concurrently, TSSA will continue to implement the 20/20 Program which is the underpinning of the business process and IT infrastructure modernization. These initiatives represent significant investments that will draw on financial reserves built over years of sound financial stewardship and staff skillsets at TSSA that have been similarly developed over time. These investments stand to benefit staff and their work environment, as well as many external stakeholders.

The Business Plan builds on inputs and building blocks from the Strategic Planning process including: an environmental scan of the regulatory landscape; the Annual State of Public Safety Report; input from TSSA’s advisory councils and the Chief Safety and Risk Officer; and ongoing monitoring of previous years’ business plan initiatives. TSSA’s strategic plan, business plan, annual report, and annual state of public safety report are available on the organization’s website at www.tssa.org.

CORPORATE OVERVIEW

ORGANIZATION
Since 1997, Technical Standards & Safety Authority (TSSA) has delivered public safety services as delegated by the Government of Ontario in four key sectors:

- boilers and pressure vessels, and operating engineers;
- elevating devices, amusement devices and ski lifts;
- fuels; and,
- upholstered and stuffed articles.

TSSA is one of Ontario’s public safety regulators mandated by the Government of Ontario to enforce provincial safety regulations and enhance public safety. Headquartered in Toronto, TSSA employs over 420 staff, approximately 75 percent of whom work in operations. TSSA is accountable to the Ontario government, the residents of Ontario, and the industries it regulates. It uses a cost recovery approach to set fees, including registration, inspection, engineering, examination, permit, and licensing, allowing it to deliver on its mandated activities.

TSSA’s funding model is developed in a transparent and consultative manner which includes stakeholder engagement and appropriate advance notice.

PURPOSE, VISION AND VALUES

TSSA’s Purpose: to enhance safety where Ontarians live, work and play.

TSSA’s Vision: a valued authority for a safer Ontario.

TSSA’s Corporate Values:

- Safety: Be safety conscious at all times.
- Leadership: Be the best in actions and words.
- Integrity: Be honest and ethical.
- Respect: Build trust and earn respect.
- Accountability: Be responsible for all actions and deliver on commitments.
- Communication: Share information responsibly and effectively.
- Collaboration: Work together across the whole organization and with our external partners.
CORPORATE OVERVIEW

GOVERNANCE
TSSA is governed by a 13-member board of directors that is responsible for stewardship, including oversight of the organization, and taking a leadership role in the development of the organization’s strategic direction.
The board and management monitor emerging governance best practices and act to adopt those that best serve to strengthen TSSA’s governance regime.

TSSA’s board has taken steps to reflect this enhanced approach to oversight of the organization’s information assets consistent with best practice. Through the annual report, TSSA is committed to reporting on progress made and results achieved through initiatives undertaken by the organization.

TSSA’S ROLE IN SAFETY AND AREAS OF RESPONSIBILITY
While TSSA is mandated by the Government of Ontario to enforce the Technical Standards and Safety Act, 2000 (the Act) and associated regulations, the organization focuses on more than just compliance and enforcement. This is because TSSA recognizes that there are many safety risk factors, such as user behaviour (including instances in which people unintentionally and often unknowingly put themselves at risk) which can be influenced but not fully controlled, making traditional enforcement activities unlikely to be effective. Through enforcement and advocacy, including awareness and education, TSSA seeks to continuously improve safety.

TSSA’s activities as both a regulator and an advocate are articulated through the strategic goal of Safety Awareness, Active Compliance.

As a modern regulator, TSSA will help regulated customers, safety partners, and the public manage risk through increased awareness and understanding.

TSSA’s safety value chain activities – in order of preventative to responsive – include:

- **Influence codes and regulations**: support government in developing regulations, and participate in code development and standard setting.

- **Inform, educate and modify behaviour**: inform and educate the public and industry participants regarding better safety practices and issues, new codes, regulations and requirements, and seek to influence safe behaviours.

- **License, register and certify**: influence training institutions to properly train tradespeople, and effectively examine and certify tradespeople, register plants and equipment, and license devices, sites, and contractors.

- **Review designs**: review the design of new technology, new installations, alterations and modifications to existing equipment and plants for compliance to codes and regulations.

- **Inspect and monitor**: inspect/audit tradespeople, contractors, plants, equipment and sites for compliance with codes and regulations, and monitor developing safety-related trends or issues.

- **Enforce**: take appropriate regulatory actions to resolve non-compliance situations or take appropriate actions in response to safety incidents.

- **Investigate**: investigate safety incidents or near-misses.
TSSA is committed to its path to be a modern regulator. As such, TSSA is working to improve collaboration with partners and regulated customers, enhance decision making through the use of reliable data, ensure innovative practices and technologies are used throughout the organization, and improve transparency and information provided to all stakeholders.

In addition, TSSA plays a key advisory role to the Ministry of Government and Consumer Services (MGCS) to ensure appropriate safety standards are set out in legislation and regulation through a mutually-beneficial policy development process that ultimately leads to the modernization of regulation to the greater benefit of both the public and regulated industries.

**Boilers and Pressure Vessels and Operating Engineers Safety Program**

**Boilers and Pressure Vessels**
TSSA is responsible for regulating all pressure-retaining components manufactured or used in Ontario, in accordance with the Act and applicable regulation, with a commitment to ensuring the safety of boilers, pressure vessels, and piping systems. TSSA also provides its services in this area to support the safety of Ontario’s nuclear power plants.

**Operating Engineers**
Under the Act and applicable regulation, TSSA examines and certifies power plant engineers and operators. TSSA also registers operating plants in order to specify the operating requirements under the regulation, including the certification level of the operating engineering personnel.

**Elevating and Amusement Devices Safety Program**

**Elevating Devices**
TSSA is responsible for the oversight of elevating devices in Ontario under the Act and applicable regulation. These devices include elevators, escalators, moving walks, lifts for persons with physical disabilities, construction hoists, and ski lifts (passenger ropeways). Elevating device mechanics, including ski lift mechanics, must be certified in order to install and maintain elevating devices.

**Amusement Devices**
TSSA is responsible for regulating the safety of permitted amusement rides in Ontario under the Act and applicable regulation. These devices include roller coasters, Ferris wheels, merry-go-rounds, inflatables, bungee-devices, zip lines, waterslides, go-karts, and other spinning or whirling rides. Ride mechanics must also be certified and are responsible for the safe and proper set-up, maintenance, and operation of all rides.

**Fuels Safety Program**
TSSA provides fuel-related safety services, in accordance with the Act and applicable regulations, associated with the safe transportation, storage, handling, and use of fuels, such as gasoline, diesel, propane, natural gas, fuel oil, digester and landfill gas, and hydrogen. TSSA delivers programs and services that regulate the safe use of motor and energy fuels for private, industrial, and commercial uses in Ontario.

TSSA also regulates fuel suppliers, storage facilities, transport trucks, pipelines, contractors and their certified employees, and equipment or appliances that use fuels, including residential applications.

Additionally, TSSA works to protect the public, the environment, and property from fuel-related hazards such as spills, fires, and explosions.

**Upholstered and Stuffed Articles Safety Program**
TSSA protects the public from potential hazards related to the use of upholstered and stuffed articles sold in Ontario in accordance with the Act and applicable regulation. In addition to promoting safety, TSSA’s aim is to protect consumers against fraud and ensure consistent requirements for all upholstered and stuffed articles registered for sale or distribution in Ontario.

For FY18 it is important to highlight the major restructuring of the Boilers and Pressure Vessels and Upholstered and Stuffed Articles Safety Programs as a result of regulatory
Safety At Work

Reliable Data

Inspections
CORPORATE OVERVIEW

renewal efforts. The changes to these programs, which involve collaboration with industry, MGCS, and other stakeholders, may impact TSSA; however, TSSA is confident that the organization will continue to play an important role in the safety of these industries moving forward.

A MODERN REGULATOR’S APPROACH TO ENFORCEMENT OF SAFETY REGULATIONS

As a delegated regulator of public safety, TSSA’s mandate requires it to undertake inspection, enforcement, and other roles. Although the organization has the authority to order changes to and even shut down unsafe operations when necessary, its primary focus is on prevention. TSSA works cooperatively with its industry partners and other stakeholders, including the general public, to improve safety in the sectors it regulates.

TSSA also recognizes that the role of regulators is evolving. Regulators are building capacity and adopting new approaches to achieve their goals as political and economic pressures are challenging them to achieve and maintain required outcomes while demonstrating value and reducing regulatory burden on businesses. A key input into TSSA’s new Strategic Plan is the desire to become a leader in this evolution through the adoption of modern regulatory principles. To do so, TSSA is making the following commitments:

- We will need more collaboration with our partners and regulated customers and continue to build trusting relationships.
- We will need to make use of innovative tools and technology that can support TSSA’s and our customers’ ability to promote, monitor, and achieve compliance.
- We will need to be more informed with better access to more reliable data to make decisions and evaluate our impact.
- We will also need to be transparent and share data with our stakeholders to empower their decision making.

These commitments are also aligned with Ontario’s Regulator’s Code of Practice and the focus on improving Ontario’s business climate by reducing burdens, streamlining regulations, and creating smarter and faster government-to-business services – while also enhancing safety where Ontarians live, work, and play.

Consistent with its commitment to enhance safety in Ontario, first through the efficient and effective enforcement of the Act and its associated regulations, TSSA uses a variety of tools, including targeted education programs, licence revocation, legal orders, and prosecution to ensure public safety. TSSA balances its resources by establishing and applying risk management criteria to the allocation of available enforcement tools, and it will apply these tools in a progressive manner. The choice of enforcement action will be appropriate for, and escalate with, the nature of the violation.

Enforcement decisions are assessed according to the following criteria:

- violations of law, which result in personal injury, substantial property damage, or have a potential to cause personal injury or substantial property damage, and incidents with catastrophic or near catastrophic results; the vigorous prosecution of high profile incidents is an effective way to promote public safety and enhance compliance;
- non-compliance in areas of perceived or persistent problems, regardless of the seriousness of the violation, persistent or previous offenders, or offences reflecting a lack of safety commitment; all available data and resources will be utilized to identify compliance challenges and public risk;
- enforcement efforts will be determined based on the nature of the violation; and
- non-compliance with statutory authorization requirements, challenges to TSSA’s inspection or enforcement authority, such as disregard for inspector’s orders or statutory licensing requirements.

COMMITMENT TO STAKEHOLDERS

TSSA’s responsibility to its stakeholders is characterized by a high degree of accountability and transparency, which is expressed through the following statements:

To all stakeholders: The conduct of TSSA and its employees will always be honest, professional, and ethical.

To the public: TSSA and its employees will work with diligence and competence to protect Ontarians by maintaining
CORPORATE OVERVIEW

and enhancing safety. TSSA will lead the way in working to prevent avoidable incidents. TSSA will educate the public so they may take personal responsibility for their safety.

To the government: TSSA will perform its delegated responsibilities with diligence, observing the principle of ensuring a fair, safe and informed marketplace that supports a competitive economy. TSSA will recommend amendments to delegated legislation and regulations that will enhance public safety, and advise MGCS promptly of any matters that may require action or attention.

To its customers: TSSA will provide timely and value-added services at a fair price. TSSA will provide an objective and expert application of its delegated authority that promotes a level playing field and continuous improvement. TSSA will consult with its stakeholders and work in partnership to communicate performance and earn their trust. Feedback on how TSSA is meeting its commitments and responsibilities is solicited and always welcome.

ADVISORY COUNCILS

Partnering with industry, TSSA consults with advisory councils that have been established for each of its regulated sectors. TSSA and its nine industry advisory councils work closely in a spirit of continuous improvement, primarily to identify and reduce risk, and to provide comment on public education plans, training proposals, regulatory changes, design changes, and new inspection processes.

Industry advisory councils are supported by technical committees, called risk reduction groups, which propose operating improvements for their sectors. They are instrumental in looking at specific safety challenges in their sectors and helping TSSA find effective solutions. This close partnership with industry is fundamental to the improvement of public safety in Ontario. Providing an effective balance to the interests of industry, TSSA also benefits from a Consumers Advisory Council that provides independent, consumer-focused advice and guidance related to the impacts of its activities on the public or on consumers who are purchasers or users of products and/or devices regulated by TSSA.

More information regarding the advisory councils, including terms of reference, composition, and minutes of meetings, can be accessed through TSSA’s website at www.tssa.org.

COMPLAINT HANDLING

TSSA defines complaints as an expression of dissatisfaction with respect to services it provides, actions of its staff, or the complaint process itself. Although TSSA seeks to address complaints at the level they are raised, should the matter require further attention, the complaint is escalated to more senior personnel, up to and including statutory directors appointed under the delegated safety legislation or the President and Chief Executive Officer. TSSA tracks the results of its complaint handling and strives toward improving both processes and service delivery as a way to increase customer satisfaction and improve safety outcomes in Ontario. An appointed TSSA Ombudsman additionally assists in resolving issues and developing ideas for improving how the organization delivers its services and engages its staff and those regulated by TSSA. More information can be accessed through TSSA’s Ombudsman website at ombudsman.tssa.org.

COMMITMENT TO THE MINISTER OF GOVERNMENT AND CONSUMER SERVICES

As an organization responsible for public safety, TSSA must be accountable and transparent. TSSA is one of the first public safety organizations to embrace outcome-based reporting, providing all its stakeholders with an understanding of safety in its delegated sectors. As a result, the organization provides transparent performance reporting through its strategic plan, business plan, annual report, and annual public safety performance report. TSSA reviews its performance with MGCS on a quarterly basis. All of these documents are available to the public and can be accessed through TSSA’s website at www.tssa.org. TSSA is committed to continuously enhancing both the quality and comprehensiveness of its data and the content of its reporting to MGCS to ensure that the Ministry’s needs are fully met or exceeded.

French Language Services

Consistent with its French Language Services Policy, TSSA responds to all requests for French services as they arise during the year. TSSA monitors requests for services in French to determine the appropriate level of service to meet public safety and customer service needs.
Safety At Work

New Approaches

Compliance
BUSINESS PLANNING: STRATEGIC CONTEXT

OVERVIEW
Fiscal Year 2018 (FY18) represents the first year of TSSA’s new Strategic Plan. The new Strategic Plan outlines the path forward to position TSSA as a valued authority for a safer Ontario. Contained within the Strategic Plan are the priorities and projects that will be a focus for TSSA over the coming five years (2018-2022). The Strategic Plan is available on TSSA’s website.

The Business Plan for FY18 outlines the initiatives planned for the first year of the Strategic Plan. Progress on these initiatives will be measured against the Corporate Scorecard.

TSSA’S NEW STRATEGIC PLAN
The Strategic Plan developed for 2018-2022 was developed to reflect the need to build capacity and adopt new approaches to achieve government, customer, and resident priorities of innovation, growth, collaboration and value, and modern regulatory principles.

To be successful, TSSA must focus on priorities that will have the largest impact. Contained in the Strategic Plan are five Strategic Themes:

Strategic Goals:
- **Modernized Regulatory Framework**: TSSA will continue to work collaboratively with the Government of Ontario and regulated customers to ensure a modern regulatory environment that benefits all stakeholders.
- **Service Excellence**: Working with staff and key stakeholders, TSSA will focus on ensuring customer interactions are consistently effective, efficient, and supportive.
- **Safety Awareness, Active Compliance**: TSSA will continue to promote actions that improve both the public and regulated customers’ awareness of risks and empower them to adopt safe behaviours.

Foundational Enablers:
- **Engaged People & Effective Teams**: TSSA will empower teams and promote an open and trusting environment for staff to adopt best practices and drive meaningful change at all levels of the organization.
- **Solid Operational Foundation**: TSSA will continue to improve its operating efficiency and transparency for the benefit of employees, customers and other stakeholders.

MODERNIZED REGULATORY FRAMEWORK
TSSA operates within a provincial regulatory framework that includes legislation, regulation, codes, and standards. This framework is currently undergoing a process of regulatory renewal which involves the collaborative involvement of many stakeholders from across the sector. While TSSA does not control this renewal process, the organization is in a unique position to contribute expert knowledge and connections with industry and is committed to working collaboratively with the Government of Ontario and regulated customers to advance change.

The outcomes of these renewal efforts will have significant impact on the operations of TSSA and the suite of tools available to improve safety outcomes. Through collaborative efforts, TSSA will ensure a streamlined, effective, and principles-based regulatory environment that protects the safety of Ontarians and considers regulatory burden on businesses.

SERVICE EXCELLENCE
Modern regulators do not operate in isolation. TSSA understands that it will need to be more effective when working with regulated customers, enabling them to be compliant and support safe behaviour. TSSA is committed to ensuring that regulated customers’ interactions with TSSA are consistently effective, efficient, and supportive. TSSA’s staff commitment to these interactions comes from the organization’s values.
TSSA is composed of expert leaders in their fields who are passionate about safety and embody a culture of safety every day.

SAFETY AWARENESS, ACTIVE COMPLIANCE
As a regulator, TSSA recognizes that there are many safety risk factors, such as user behaviour, that cannot be controlled and against which traditional enforcement activities are unlikely to be effective. Over the coming years, TSSA will strive to be a catalyst for action on safety issues by increasing the public's and its regulated customers' awareness of safety risks and empowering them to adopt safe behaviours.

ENGAGED PEOPLE & EFFECTIVE TEAMS
TSSA recognizes that the strength of the organization lies in its people. TSSA is composed of expert leaders in their fields who are passionate about safety and embody a culture of safety every day. The ability of the organization to achieve its vision will depend on the team's engagement and alignment around the future direction. To achieve success TSSA must empower teams and ensure open and trusting relationships between leadership and staff. The tone and commitment for this transformation starts at the top of the organization, and engagement at all levels will be essential to drive meaningful and lasting change. TSSA also knows that, as the operating environment rapidly shifts, the organization must adapt its culture and empower its people to be flexible, nimble, and responsive to change. This capacity will be enhanced through the adoption of innovative best practices and by addressing barriers to ensure the corporate structures and organizational culture empower every member of the team to achieve excellence.

SOLID OPERATIONAL FOUNDATION
TSSA is continuously working to improve its organization through the adoption of efficient and innovative operating models. Fundamental to TSSA's modernization is the investment being made to advance the organization’s processes and technologies through improved access to timely, reliable data and increased transparency to government, industry, and the public.

Through the TSSA 20/20 Program, the organization has committed to using the financial reserves gained over years of sound fiscal management to invest heavily in the future of the organization. As part of the 20/20 Program, TSSA will achieve a foundational base of high quality data, crucial to its delivery of its safety mandate. As such, TSSA is taking action to consistently document critical data elements for all of its safety programs and establish processes to closely monitor and, where appropriate, take action to ensure these elements meet standards for completeness, compliance with business rules, timeliness, and accuracy. As the understanding of operations improves, TSSA must ensure that its corresponding business model is fair, effective, and exhibits its commitment to accountability and sustainability including the ongoing commitment to data quality and stewardship.
ANNUAL PRIORITIES BY STRATEGIC THEME

For each of the Strategic Themes contained in the Strategic Plan, annual initiatives have been developed. The Business Plan outlines the details behind these initiatives and the targets associated with achieving them.

Modernized Regulatory Framework

<table>
<thead>
<tr>
<th>ANNUAL PRIORITIES</th>
<th>DESCRIPTION OF PRIORITY</th>
<th>FISCAL YEAR TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluate organizational capacity to contribute to regulatory renewal and address gaps.</td>
<td>TSSA is committed to working with government and industry partners to advance change and modernization in its regulatory framework. This work requires regular and ongoing policy research and analysis to ensure that the technical and expert advice provided by TSSA is evidence-based and aligned with industry standards. To support this work in a systematic and repeatable method, TSSA will ensure appropriate organizational capacity to lead public policy research and analysis.</td>
<td>Establish in collaboration with the Ministry, and apply, an issues inventory and prioritization decision matrix to identify Phase 2 projects. Develop a work plan for Phase 2 projects.</td>
</tr>
</tbody>
</table>
Service Excellence

<table>
<thead>
<tr>
<th>ANNUAL PRIORITIES</th>
<th>DESCRIPTION OF PRIORITY</th>
<th>FISCAL YEAR TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective: Build upon the outcomes of TSSA’s 20/20 Program to fully understand our regulated customers and innovatively improve the experiences they have with TSSA.</td>
<td>Gathering regular customer experience feedback is important to understand and address customer concerns. To improve the organization’s ability to collect and understand this information, TSSA will engage a new vendor to develop and deploy new customer value survey methodologies based on industry best practices to develop enhanced insights into TSSA’s customer experience, including a transaction-based survey to better understand customer value.</td>
<td>Develop and execute new survey methodology to establish a new baseline metric and targets.</td>
</tr>
<tr>
<td>Define the desired future state for customer service based on customer experience feedback.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Objective: Build organizational capabilities to deliver exceptional customer experiences.</td>
<td>Use the outcomes from the customer experience feedback findings and desired future state to identify current gaps in TSSA’s capabilities to deliver exceptional customer service.</td>
<td>Identification of gaps and priority development to be addressed for improved customer experiences.</td>
</tr>
<tr>
<td>Assess current organizational capabilities to support customer service and identify gaps through customer experience feedback.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Safety Awareness, Active Compliance

<table>
<thead>
<tr>
<th>ANNUAL PRIORITIES</th>
<th>DESCRIPTION OF PRIORITY</th>
<th>FISCAL YEAR TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective:</strong> Develop a safety awareness framework that is premised on evidence, value for money, leading practices and partnerships and is aligned with organizational safety priorities.</td>
<td>Define TSSA's Role and Mandate to increase safety awareness for stakeholder groups, including the public.</td>
<td>As a regulator, TSSA understands that traditional enforcement mechanisms are not effective for all types of safety risks, such as those risks that are driven by user behaviour. This initiative will define a mandate and outline a strategy for TSSA's activities related to promoting safety awareness and education initiatives targeted towards our regulated customers and the public.</td>
</tr>
<tr>
<td></td>
<td>Establish a framework to guide program prioritization, operations, partnerships, measurements, and continuous improvement.</td>
<td>TSSA operates its own safety awareness programs, and partners with other organizations to enhance public awareness and education about safety in TSSA's regulated sectors. These activities must be focused and aligned with stated safety priorities. TSSA will establish a program implementation framework and approach to guide funding allocations consistent with principles to demonstrate value for money, issue prioritization, approvals, methods and tools, performance measurement, and an evaluation approach.</td>
</tr>
<tr>
<td><strong>Objective:</strong> Build organizational capabilities to deliver exceptional customer experiences.</td>
<td>Establish and support the International CO Collaboration Network and the Canadian CO Collaboration Network.</td>
<td>Carbon Monoxide is a considerable cause of safety incidents and there are opportunities to improve the awareness and understanding of this public health risk. TSSA will support initiatives to collect and integrate public health and technical CO data and use integrated data sets to identify root causes of CO safety risks, both internationally and nationally, in order to appropriately frame CO as a broader public health issue in alignment with our role as a technical safety regulator.</td>
</tr>
</tbody>
</table>
## Engaged People and Effective Teams

<table>
<thead>
<tr>
<th>ANNUAL PRIORITIES</th>
<th>DESCRIPTION OF PRIORITY</th>
<th>FISCAL YEAR TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective:</strong> Enhance TSSA’s culture to emphasize its commitment to safety within the organization, reflect its dedication to Modern Regulation and be flexible and responsive to change.</td>
<td>Listening to staff and incorporating staff feedback into decisions is a priority for TSSA. Establishing and embedding change management practices into the organization to address this feedback will be important for addressing future change. Developing regular staff engagement forums to promote and facilitate participation will be a focus for TSSA.</td>
<td>Pilot of an Inspector Working Group as a mechanism to engage field staff and collect ongoing feedback to evaluate success and inform future decisions.</td>
</tr>
<tr>
<td>Enhance the process and platforms to collect and incorporate staff feedback into decision making and respond to concerns on an ongoing basis.</td>
<td>Through employee engagement surveys, TSSA has developed and will continue to move forward with an Action Plan to address areas of improvement raised in the most recent employee engagement survey.</td>
<td>Implementation of the Employee Engagement Action Plan initiatives.</td>
</tr>
<tr>
<td>Identify and implement quick win initiatives to respond to and address staff feedback.</td>
<td>TSSA is committed to an organizational culture which reflects engagement, collaboration, and the principles of a modern regulator. Working with staff, this future state culture will be defined and promoted across the organization.</td>
<td>Formally define future state culture in collaboration with incoming CEO.</td>
</tr>
<tr>
<td>In collaboration with staff, establish a clear and well defined desired future culture.</td>
<td>The TSSA 20/20 Program is an ongoing multi-year project to improve processes, data, and technology. Through this priority, TSSA will review and update the roles and competency requirements impacted by the TSSA 20/20 Program.</td>
<td>Update core competencies for roles across the organization impacted by the TSSA 20/20 Program.</td>
</tr>
</tbody>
</table>

**Objective:** Enhance the structures and processes for knowledge transfer, business continuity, and talent development.
## Solid Operational Foundation

<table>
<thead>
<tr>
<th>ANNUAL PRIORITIES</th>
<th>DESCRIPTION OF PRIORITY</th>
<th>FISCAL YEAR TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective: Harness the business transformation outcomes resulting from TSSA's 20/20 Program to realize its benefit and streamline business operations and improve quality and stewardship in data.</td>
<td>Finalization of the TSSA 20/20 Program. Complete the set-up of TSSA 20/20 Program including business process transformation, supporting change management and operating and financial system implementation.</td>
<td>Finalize and execute the FY18 Plan for the TSSA 20/20 Program.</td>
</tr>
<tr>
<td>Objective: Develop a revised and appropriate Business Model for TSSA's cost recovery structure.</td>
<td>Conduct a Fee Review. Assess financial need and justification for interim Fee Review prior to the development of a revised Business Model for TSSA.</td>
<td>Fee Review analysis complete and process underway with defined Fee Review parameters, process and scope if justified.</td>
</tr>
</tbody>
</table>
Safety At Work

Safer Processes

Leadership
To deliver broadly on its mandate and specifically on its business plan, it is essential that TSSA has sufficient and appropriate human, financial, and information services resources. With its commitment to modernizing the way TSSA operates, the organization will invest heavily in the areas of human resources and information services. These investments will support TSSA's transition to one of a modern regulator, and the implementation of the 20/20 Program. In developing its business plan, and assessing the needs to deliver on these fundamental initiatives, TSSA has considered its resource requirements, the results of which are summarized in the following subsections.

**HUMAN RESOURCES**

TSSA's most valuable resources are its people. Their knowledge base, technical skills, and safety culture underpins all of TSSA's activities. To maintain the high-quality staff required by TSSA, the organization is committed to maintaining and improving engagement and development opportunities. The promotion and sharing of skills, expertise, and best practices used by staff are important enablers for the success of TSSA and a valuable development avenue for people. Knowledge management and sharing mechanisms will be highlighted and focused upon to ensure staff have access to the vast knowledge and expertise throughout the organization. These are emphasized in the Strategic Plan, which highlights a commitment to supporting collaboration across all levels of the organization, encouraging active engagement of staff to identify and solve issues that face TSSA, and recognizing and rewarding those strong performers who contribute to a positive culture and organizational success.

Enhancing the organization’s culture to reflect the dedication to modern regulatory principles and commitment to safety is a priority focus for TSSA. In addition to identifying additional opportunities to collect staff feedback and incorporate staff perspectives into decision making, and along with responding to opportunities identified through employee engagement surveys, TSSA is committed to working with staff to define the future state culture of the organization. The culture development for our future state will be a focused initiative beginning this year that ensures TSSA is well positioned to respond to the evolving needs of government and customer stakeholders to make Ontario safer.

Defining and achieving a future state culture of a modern regulator will require high quality and dedicated leadership across the organization. This begins with the Senior Management Team, where TSSA will focus on filling current vacancies and supporting new leadership members as they take a critical role in guiding the organization forward. Enhancing leadership across the organization extends beyond the recruitment of vacancies in the Senior Management Team and will also include building leadership skills across the organization. High quality leadership is fundamental to TSSA's ability to attract, retain and develop the people and critical skills required to deliver on the organization’s mandate.

TSSA is confident that it has the human resources to enable successful execution of its regulatory mandate and this business plan.

**INFORMATION SERVICES**

The primary focus of TSSA's technology resources is the successful delivery of the TSSA 20/20 Program. This program is a modernization of TSSA's business processes and IT infrastructure following the principles of Lean Six
The emphasis is on delivering efficient customer processes that support TSSA’s regulated mandate while funding investment in business processes and modernization initiatives.

Sigma. This will provide a solid platform for TSSA to evolve as a modern regulator through innovation and technology, to the benefit of TSSA’s regulated customers, employees and stakeholders.

The first phase of the TSSA 20/20 Program, a new HR system, was successfully implemented. The key objectives to reduce duplicate data entry steps and provide reliable business data have already positively enhanced operational productivity. TSSA’s IT resources are now focused on the core processes and system requirements for Operations and Finance implementation. This includes business process transformation and change management support to ensure the successful execution of the TSSA 20/20 Program FY18 implementation plan.

To assist with the execution of the TSSA 20/20 Program, additional project management and subject matter expert resources have been secured. This will mitigate against future delays in the project delivery schedule. Concurrently, TSSA has committed to adding additional senior level leadership to the TSSA 20/20 Program. The new addition of a senior level Information Services (IS) executive will provide governance and direction for both the TSSA 20/20 Program implementation and other ongoing IS initiatives.

**FINANCIAL RESOURCES**

TSSA’s fiscal year 2018 is informed by its new 5-Year Strategic Plan that seeks to further evolve safety by modernizing regulatory principles, addressing technological advances, and ensuring greater collaboration with industry and government.

The fiscal 2018 budget represents management’s commitment to stakeholders to develop and implement a practical financial plan aligned with the vision and strategic priorities. The emphasis is on delivering efficient, customer-focused processes that support TSSA’s regulated mandate while funding investment to business process and IT and modernization initiatives. Continued cost control supports the extension of the fee freeze to May 1, 2018. The most recent fee schedule was approved effective May 1, 2013. TSSA’s fees overall have increased less than the rate of inflation since its inception in 1997 and the organization will continue to strive to find ways to restrain fee increases in the future.

TSSA is projecting a deficit of $5.2 million due primarily to investment required for end-to-end business process redesign and new systems implementation (TSSA 20/20 Program), as discussed in the Technology section, and to deliver TSSA’s safety mandate. As TSSA produced a net margin of $3.9 million in fiscal 2017, this is a reduction of $9.1 million from the prior year.

Regulatory net deficit of $6.2 million or 10% of revenues is lower than the net margin achieved in the prior year, and non-regulatory net margin of $1.0 million is a decrease of less than $0.1 million over the prior year.

Total budgeted revenue is $69.7 million. Revenue growth is volume driven as fees are frozen, and is projected to increase modestly by 1.9% compared to fiscal 2017 across all Programs. Best estimates of business activity volumes include projected device volume growth/changes, volume and mix of inspection work expected (based on assessment of risk factors and projected compliance levels), and manufacturing activity resulting in engineering reviews and initial inspections.

Budgeted expenses of $74.9 million are anticipated to grow by 16%, primarily driven by a $7.6 million investment in the TSSA 20/20 Program. The organization has committed significant internal resources to the TSSA 20/20 Program and is engaging a third party vendor to work with the internal team and system integrators to staff the program as it progresses towards its successful completion.

Total expense growth is expected to be 8.9% excluding the investment in TSSA 20/20. This is the first increase in core business expenses in 3 years, and is consistent with
supporting the core mandate and the business initiatives in the new 5-year strategic plan, including regulatory review work and safety advocacy as outlined in the strategic plan initiatives. The Elevating Device (ED) program continues to invest in staffing to support a multi-year compliance strategy, and key open positions across the organization are being filled.

While this expense growth exceeds the projected revenue growth of 1.9%, TSSA has the financial resources in place to allow for this investment. Cost control and efficiency gains in fiscal years 2015-2017 resulted in a reduction in total expenses, putting TSSA in a good position to invest for the future. Core business expenses, excluding the TSSA 20/20 Program, will be managed in a number of ways: staffing changes continue to require stringent business case justification, inflationary increases are to be absorbed with cost saving initiatives, and offsets identified for one time or cyclical expenditures. TSSA will continue to invest in workforce training, development and safety, the stability and performance of core IT infrastructure, including website renewal, and programs such as the TSSA Safety Awards. Innovative approaches to delivering corporate support processes are being identified on an ongoing basis, such that the growth rate in support costs is planned to be below the growth rate in direct operating costs. Minimal work will be performed on the existing Enterprise Resource Planning (ERP) system as focus is on replacing it as per the TSSA 20/20 Program.

TSSA’s capital budget for fiscal 2018 is projected at $4.2 million, driven by a combination of the TSSA 20/20 Program and other Information Services (IS) projects. There will be continued capital spending to upgrade and maintain IS infrastructure to ensure effectiveness, security, performance and reliability as well as upgrading the main corporate website. There is limited capital spend on existing systems with the focus on the TSSA 20/20 Program.

The balance sheet is expected to remain solid and liquidity will continue to be strong based on available working capital and ongoing cash management. TSSA’s liquidity ratios are strong, with cash available to support operations and capital investments. TSSA’s investment portfolio of high-grade, low-risk investments remains within policy and is closely monitored by a third party investment manager.

TSSA continues to monitor its reserves. The unrestricted reserve balance at the end of fiscal 2017 is adequate to support the upcoming TSSA 20/20 Program and all initiatives to deliver the strategic plan, including regulatory review work and advocacy initiatives. The restricted reserve policy targets a reserve level of 25% of budgeted operating expenses in order to support the business in achieving long-term vision and goals and ensure adequate capital for unforeseen economic events. It is expected that the reserve will continue to support TSSA’s multi-year capital requirements.

TSSA is confident that the established operating and capital budgets will enable the successful execution of TSSA’s regulatory mandate and overall business plan.
## BUSINESS PLANNING

### STATEMENT OF INCOME AND EXPENSES

**Technical Standards and Safety Authority**  
(In thousands of dollars) Year ended April 30, 2017 with Fiscal 2018 Budget

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 2017 Actual $’000</th>
<th>Fiscal 2018 Budget $’000</th>
<th>Changes $</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REGULATORY BUSINESS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boilers and Pressure Vessels/ Operating Engineers Revenue</td>
<td>15,175</td>
<td>15,775</td>
<td>540</td>
<td>4%</td>
</tr>
<tr>
<td>Elevating and Amusement Devices Revenue</td>
<td>23,611</td>
<td>23,676</td>
<td>65</td>
<td>0%</td>
</tr>
<tr>
<td>Fuels Revenue</td>
<td>21,124</td>
<td>21,393</td>
<td>269</td>
<td>1%</td>
</tr>
<tr>
<td>Upholstered and Stuffed Articles Revenue</td>
<td>4,171</td>
<td>4,271</td>
<td>100</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>64,081</td>
<td>65,055</td>
<td>974</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td>61,261</td>
<td>71,292</td>
<td>10,031</td>
<td>16%</td>
</tr>
<tr>
<td><strong>NET MARGIN</strong></td>
<td>2,820</td>
<td>(6,237)</td>
<td>(9,057)</td>
<td>(321%)</td>
</tr>
<tr>
<td>4%</td>
<td>-10%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NON-REGULATORY BUSINESS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>4,293</td>
<td>4,607</td>
<td>314</td>
<td>7%</td>
</tr>
<tr>
<td>Expenses</td>
<td>3,231</td>
<td>3,584</td>
<td>353</td>
<td>11%</td>
</tr>
<tr>
<td><strong>NET MARGIN</strong></td>
<td>1,062</td>
<td>1,023</td>
<td>(39)</td>
<td>4%</td>
</tr>
<tr>
<td>25%</td>
<td>22%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL TSSA:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>68,374</td>
<td>69,662</td>
<td>1,288</td>
<td>2%</td>
</tr>
<tr>
<td>Expenses</td>
<td>64,492</td>
<td>74,876</td>
<td>10,384</td>
<td>16%</td>
</tr>
<tr>
<td><strong>NET MARGIN</strong></td>
<td>3,882</td>
<td>(5,214)</td>
<td>(9,096)</td>
<td>(234%)</td>
</tr>
<tr>
<td>6%</td>
<td>-7%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Technical Standards and Safety Authority**  
**CAPITAL EXPENDITURE**  
(In thousands of dollars)  
Year ended April 30, 2016 with Fiscal 2017 Budget

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 2017 Actual $’000</th>
<th>Fiscal 2018 Budget $’000</th>
<th>Changes $</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Expenditure</td>
<td>6,416</td>
<td>4,230</td>
<td>(2,185)</td>
<td>(34%)</td>
</tr>
</tbody>
</table>
TSSA sets annual goals and performance targets in the form of a balanced scorecard. The balanced scorecard enables TSSA to identify goals, monitor and manage performance, and report on performance outcomes with respect to the needs of its various stakeholders.

TSSA reports on its performance against balanced scorecard targets, the results of which can be found in TSSA’s Annual Report. The Business Plan for Fiscal Year 2018 reflects the new Strategic Plan.

Appendix 1 contains the balanced scorecard that will be used for Fiscal Year 2018, and it is aligned with the themes contained in the Strategic Plan. Going forward, TSSA is committed to using this balanced scorecard as it incorporates a stable set of performance metrics that reflect the new Strategic Plan and enables a year-to-year comparison.

In conjunction with MGCS, TSSA sets targets for health impacts in its Strategic Plan and reports on achievements using the percentage reduction in the risk of injury or fatality. This measure, supported by TSSA’s Risk-Informed Decision-Making (RIDM) processes and the risk of injury or fatality (RIF) metric, will be accompanied by data for fatalities, permanent injuries and occurrences, published in TSSA’s annual state of public safety report, available on TSSA’s website at www.tssa.org.

More information regarding specific industry sectors, including advisory council and performance reporting, such as compliance and safety outcomes, and customer value survey results can be accessed through TSSA’s website at www.tssa.org.

■
### APPENDIX 1: BALANCED SCORECARD FOR FISCAL YEAR 2018

<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>MEASURE</th>
<th>FISCAL YEAR 2017 PERFORMANCE</th>
<th>FISCAL YEAR 2018 TARGETS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Modernized Regulatory Framework</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regulatory Renewal Initiative</td>
<td>Initiation of Phase II</td>
<td>BPV: Findings report complete</td>
<td>Initiate Phase II: 1. Issue Identification</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OE: Expert panel report complete</td>
<td>2. Prioritization Analysis</td>
</tr>
<tr>
<td></td>
<td></td>
<td>USA: Consultation complete</td>
<td>3. Selection of Regulatory Priorities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4. Approval of Priorities</td>
</tr>
<tr>
<td><strong>Service Excellence</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improved Client Experience</td>
<td>Perceived Value Index (PVI)</td>
<td>N/A</td>
<td>Baseline performance established 1</td>
</tr>
<tr>
<td><strong>Safety Awareness, Active Compliance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduced Health Impacts</td>
<td>Risk of Injury or Fatality</td>
<td>0.83 FE/Mpy 2</td>
<td>0.85 Risk of Injury or Fatality/per million/per year</td>
</tr>
<tr>
<td>Active Regulatory Compliance</td>
<td>Percentage of low risk inventory</td>
<td>Fuels Licensed Sites 82%</td>
<td>0.85 Risk of Injury or Fatality/per million/per year</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Elevating Devices 97%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Amusement Devices 96%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Operating Engineers 87%</td>
<td></td>
</tr>
<tr>
<td><strong>Engaged People &amp; Effective Teams</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enhanced Employee Engagement 3</td>
<td>Employee engagement survey score</td>
<td>64% (Pulse survey results)</td>
<td>No survey planned</td>
</tr>
<tr>
<td>Employee Health and Safety</td>
<td>Occupational health and safety dashboard</td>
<td>Green on all indicators</td>
<td>Green on all indicators</td>
</tr>
<tr>
<td></td>
<td>leading indicators (training, quality audits completed and average quality audit score)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Safety Awareness, Active Compliance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective Operations</td>
<td>Operating Leverage 4</td>
<td>(1.7%)</td>
<td>(7%)</td>
</tr>
<tr>
<td>Operational Sustainability</td>
<td>Net margin (deficit)</td>
<td>$3.882M</td>
<td>($5.214M)</td>
</tr>
</tbody>
</table>

1 The median value of periodic inspections/audits passed on first visit over a five-year rolling median. The higher the number the better the compliance.

2 Fatality Equivalent/Million people per year.

3 Employee engagement surveys are conducted approximately every 18 months.

4 Operating leverage is defined as the difference between the year-over-year increase in revenue less the year-over-year increase in expenses, excluding strategic initiatives.